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Chairman: Mr. Chowdhury ..... (Bangladesh)

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The meeting was called to order at 10.15 a.m.

Agenda item 91: Macroeconomic policy questions (*continued*) (A/58/131-S/2003/703 and A/58/413)

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(f) Outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (*continued*) (A/58/388 and A/C.2/58/3)

1. **Mr. Kazykhanov** (Kazakhstan) said that the creation of an efficient transit transport system was a prerequisite for the effective participation of the landlocked States of central Asia in the world economy. Since the international transport costs were often higher than the customs duties applied in foreign markets, transport costs were clearly a decisive factor of competitiveness. The problem was complicated by the fact that the transit corridors in the region had been marked out long before the current international boundaries had been drawn; hence, they did not reflect the new geopolitical situation. The efficiency of the transit environment was also hindered by non-physical bottlenecks relating essentially to complicated border-crossing procedures.

2. The fact that in 1993, the General Assembly had, for the first time, included on its agenda the question of the transit environment in the landlocked States in Central Asia was an indication of the fact that the international community recognized the transit transport needs of the new Central Asian republics. Subsequent reports of the Secretary-General had provided a framework for the regular collection of data on the question and had included recommendations on measures to be taken. Over the last several years, a consensus had emerged concerning the need to improve the transit transport system in the region.

3. The landlocked Central Asian States and their transit neighbours needed to redouble their efforts to improve their transport infrastructures and reduce non-physical bottlenecks by enacting legislation and increasing regional and international cooperation; however, they also needed more help from their development partners. In that regard, Kazakhstan wished to stress the importance of following up on the recent International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation. The success of the Almaty Conference had been possible thanks to the thorough work of delegations and of the Secretariat at all stages of the preparatory process. The Conference had been especially important to the Central Asian countries because it had been the first meeting of that scale convened by the United Nations in the subregion to examine such an important question in the context of common initiatives aimed at strengthening regional cooperation and integrating those countries into the global economy.

4. The Almaty Programme of Action was a comprehensive and well-thought-out document that listed concrete measures to be taken in five priority areas. Both in the preparatory activities prior to the Conference and in the drafting of the final document, the emphasis had been on a subregional and regional approach to the issue. His delegation therefore felt that implementation of the Almaty Programme of Action should be evaluated from the standpoint of the progress made at the subregional level, and that Central Asia should receive special attention in that process. Consequently, initiatives for establishing an efficient transit transport system in Central Asia should be considered in the context of the review of the Programme of Action.

5. Bearing that in mind, the agenda item on the transit environment in the landlocked States in Central Asia and their transit neighbours should include a review of the detailed report on the implementation of the Almaty Programme of Action submitted every year by the Secretary-General under the agenda item entitled "Specific actions related to the particular needs and problems of landlocked developing countries".

6. **Mr. Oemar** (Indonesia) said that his delegation was pleased with the Secretary-General's reports on the agenda items before the Committee. The reports were pertinent because macroeconomic policy questions were a central issue of development programmes throughout the world. The report on the external debt crisis and development (A/58/290) did not go far enough in the sense that it did not elaborate further on the need to pursue the reform of the international financial architecture, which was directly linked to the debt issue and was a prerequisite for sustainable development. His delegation was deeply concerned about the slow progress of the enhancement of developing countries' participation in international and economic decision-making. The Bretton Woods institutions had the power to bring about fundamental changes to the international financial system in order to make it truly democratic and fair in its norm-setting and decision-making processes. He therefore urged the World Bank and the International Monetary Fund (IMF) to act as a matter of urgency to ensure that the competent institutions allowed the developing countries to have their legitimate demands heard. Other important changes in the global system must be carried out to create an enabling environment which would allow developing countries to experience economic growth and thus be empowered to eradicate extreme poverty. Strict attention must be paid to the need for substantial increases in official development assistance (ODA) and foreign direct investment.

7. International trade should be more equitable. Beyond the rhetoric of well-articulated commitments, there must be positive action to change the existing unfair international trading arrangements, in order to remove the constraints that prevented products from the developing countries from entering the markets of developed countries.

8. All of those factors were intimately connected and converged at the international level with the debt problem. The Indonesian delegation, which in 2002 had pointed out that the concept of sustainable debt continued to be elusive, noted that no significant progress had been made towards sustainability of the debts of developing countries. Their debt problems continued to cripple their ability to develop and kept them from progressing towards the achievement of the Millennium Development Goals. Creditors and debtors alike should work together as partners with a shared responsibility for finding a durable solution to the debt problem.

9. In the view of his delegation, the existing debt rescheduling mechanisms offered solutions to the liquidity problems of developing countries without addressing the need for a durable solution to external debt problems. Those mechanisms could not help governments attain the economic growth needed to stimulate employment. The international community should continue its efforts to create a framework to deal comprehensively with the question, and creditors should continue their commitments to build capacity in developing countries for debt management.

10. The report of the Secretary-General noted that there had been increasing doubts in recent years that the Heavily Indebted Poor Countries (HIPC) Initiative, in its present form and scope, could address the serious constraints to the development and poverty-reduction agenda of many of the poorest countries. In that regard, the Bretton Woods institutions should exercise more flexibility in order to speed up the process of debt relief and make it more meaningful for developing countries.

11. His delegation noted with concern that the resources at the disposal of the international financial institutions to support developing countries were inadequate. New initiatives should be explored, such as debt-for-sustainable-development swaps and the cancellation of unsustainable debt. A favourable international environment must be created, and additional resources must be mobilized for development, including through new sources of financing, as mandated by the Monterrey Consensus and the Plan of Implementation of the World Summit on Sustainable Development.

12. Indonesia was also interested in other development-related issues, including the World Summit on the Information Society, which should help close the digital divide and enable developing countries to reap the fruits of the technological revolution. His delegation therefore supported the Almaty Programme of Action.

13. **Mr. Motomura** (Japan) said that the Almaty Conference had been an historic event. Participating governments had gathered there to address the special needs of landlocked developing countries and establish a new global framework for transit cooperation between landlocked and transit countries. As Chairman

of the second Intergovernmental Preparatory Committee, he would like to thank all the delegates for their cooperation in reaching agreement on the Almaty Programme of Action. His delegation was confident that the General Assembly would endorse the Programme of Action by consensus. The next challenge was implementation, which would entail modernizing infrastructure, simplifying procedures and strengthening cooperation. The Government of Japan was committed to providing assistance on all three points.

14. **Mr. Butagira** (Uganda) said that his delegation endorsed the statement made by the Lao People's Democratic Republic on behalf of the Group of Landlocked Developing Countries. One of the many problems facing landlocked developing countries was the high cost of transport, which compromised the competitiveness of their exports on international markets, and the high cost of imports. Those two factors made it even more difficult for the landlocked developing countries to achieve the Millennium Development Goals. Uganda was pleased with the Almaty Declaration and Programme of Action, which clearly identified the specific needs of landlocked countries and focused the attention of the international community on their situation, outlining a new global framework for transit transport cooperation bearing in mind the need for balance between the interests of both the landlocked developing countries and their transit neighbours.

15. Uganda was of the view that transit neighbours and development partners must cooperate fully in finding solutions to the problems of landlocked developing countries, particularly in the vital areas of trade facilitation and infrastructure development. Those issues must be borne in mind in the follow up to and implementation of the Almaty Programme of Action.

16. Uganda was both a landlocked and a transit country. Consequently, it attached great importance to finding innovative solutions for transit problems in a broader regional context so as to foster regional economic cooperation, increase market access and attract foreign direct investment. That was essential in order to expand regional markets and allow for vertical diversification of the economies of those countries.

17. Uganda and its transit neighbours wanted to create an East African regional network. Uganda was located on the northern and central corridors and belonged to all the regional cooperation groups in the area. As far as river transport was concerned, Uganda was working to improve navigation security on Lake Victoria so as to reduce the high cost of transport. With regard to trade facilitation at the national and regional levels, his country was taking part in efforts to harmonize policies aimed at removing tariff and non-tariff barriers.

18. Uganda and its transit neighbours – which faced many of the same problems – would not be able to achieve the objectives envisaged in the five priority areas of the Almaty Programme of Action on their own. They needed the help of their development partners in order to create an efficient transport system.

19. Turning to the question of the external debt and development, he said that his delegation noted with concern that, according to the report of the Secretary-General (A/58/290), the low-income countries that were still receiving assistance under the HIPC Initiative would not be able to attain the long-term debt sustainability needed to reduce poverty in line with international goals. Like other developing countries, Uganda depended on commodities for its export revenues, and those had dropped steadily, seriously compromising the country's prospects for growth and development. Most other African countries were in a similar situation.

20. Uganda wished once more to stress that a long-term solution must be found to the debt problem, which must be viewed in the broader context of development. Debt relief was important but it was not the cure-all for most debt-burdened countries. For that reason, Uganda would continue to press for other measures that were needed to promote development, such as a subsidy system for the granting of official development assistance and the improvement of market access, especially for agricultural products. His delegation appealed to the international community, as a matter of urgency, to resume the inconclusive Doha negotiations. A more balanced agenda was needed that would bear in mind the interests of developing countries, especially the poorest ones.

21. **Mrs. Rivero** (Uruguay), speaking on behalf of the members of Mercosur (Argentina, Brazil, Paraguay and Uruguay) and the associated States (Bolivia and Chile), said that the significant downturn of the world economy in the late 1990s had had a negative impact

on the developing countries and had led to a deterioration of the living conditions of their peoples. In South America, the worsening of the international financial environment had caused a sharp drop in imports and investment, to which had been added the sluggishness of global trade and the stagnation of multilateral negotiations in the World Trade Organization (WTO). Measures must be taken, both domestically and internationally, to strengthen monitoring and evaluation mechanisms that could contribute to financial stability by preventing and solving crises and limiting their spread. Every effort must be made to ensure that such measures fostered increased participation by the developing countries in decision making and norm setting. The regulatory framework of financing for development called for in the Monterrey Consensus should be applied; that would require coordinated action at all levels by all partners, especially the private sector and civil society.

22. Uruguay noted with satisfaction that the United Nations was exercising leadership by promoting opportunities for dialogue and the sharing of efforts with development agencies and financial institutions. In 2002, being aware of the need to harmonize objectives and mechanisms for convergence and macroeconomic integration, Mercosur and the associated States had created a follow-up group to consider technical aspects of economic questions in different areas of common interest, with a view to enhancing coordination of economic policies among member countries. Mercosur felt that a fair balance should be sought between macroeconomic adjustments designed to promote economic stability and action on social issues that affected the people of their countries, especially the poor. If the former were implemented to the detriment of the latter, the resulting social unrest would jeopardize the democratic stability that was crucial to the sustainable development of their countries.

23. **Mr. Rojas** (Chile) said he wished to speak on operational aspects of the question of the international financial system and development. In the view of his delegation, the Monterrey Consensus was based on three underlying principles. In the first place, it relied on the broad participation of many different partners – United Nations agencies, Bretton Woods institutions, governments, civil society, the private sector and the parliamentary sector. Secondly, the basis for the spirit of Monterrey was the idea that agreement was possible. Finally, the value added by the Monterrey Consensus, which made it clear that economic problems should be addressed by the United Nations, was a reaffirmation of the role of the Organization as the most democratic global forum for giving the developing countries and the non-governmental sector a greater voice in addressing those issues.

24. From that standpoint, his delegation saw the High-level Dialogue on Financing for Development, to be held during the current session of the General Assembly, as the perfect setting for discussions on the establishment of a global economic framework for cooperation that would go beyond the national and regional levels and would be based on institutions that fostered equitable development.

25. Referring to the Almaty Conference, he noted that the Almaty Programme of Action gave a regional dimension to the problem and summarized bilateral initiatives designed to meet the development needs of the countries concerned. He thanked Kazakhstan for its efforts in organizing the Conference, as well as everyone who had contributed to its preparation and all the countries that had participated.

26. **Msgr. Migliore** (Holy See) said that from the standpoint of development, international economic relations were based on three pillars: finance, trade and assistance. The latter should not be considered the main element, but rather a complement to the other two. The international economic system had not always had an effective mechanism for ensuring that finance and trade contributed to development. In the late 1970s, most of the developing countries had experienced a chronic debt crisis. Despite the political and economic changes that had occurred throughout the world during the 1990s and despite the concerted effort that had been made to solve the debt problem of the poorest countries, by 2002, the overall external debt of the developing countries had risen to $2,400 billion.

27. The HIPC Initiative had not yet produced a long-term solution to the debt and debt-servicing problems of the countries concerned. Furthermore, other countries that had experienced serious crises during the 1980s were again having trouble servicing their debt. The recurring debt crisis had resulted in financial outflows that deprived the countries of resources they needed for development and often caused health and educational services to fall to substandard levels.

Major international conferences had recognized the need to reverse that trend, but no satisfactory solution had yet been found. All pending debt problems must be dealt with as a matter of urgency, and a sustainable financial system must be created, taking into account the development needs of all countries.

28. Additional resources were needed immediately in order to solve the debt problem. A way must be found to reconcile adequate concessional financing with equitable sharing of the financial burden within the international community. The international community should adopt principles and mechanisms for ensuring that the burden was distributed fairly between the public and the private sectors, as well as among debtors, creditors and investors, and a mechanism must be devised for restructuring the debt.

29. A rational international financial system that would be conducive to sustainable development must be created, and a serious effort must be made to address the underlying causes of the debt crisis, namely, the lack of adequate credit to create productive jobs in the poor countries and stabilize the terms of trade at a level that would make it possible to pay international debts. However, financing for development was not merely a technical issue. Indeed, no human activity was beyond moral judgement. Special attention should be paid to activities that would have a lasting and profound impact on the lives of entire populations, particularly among the poorest strata. The Millennium Declaration invited the international community to create a rational and sustainable financial system that would facilitate the economic and social development of all countries. Growing poverty, terrorist threats – sometimes linked with poverty – and the increasing conflicts around the world that had darkened the first three years of the new millennium were proof that urgent action to implement a well-conceived financial programme was key to the achievement of international peace and security, which had been the primary goals of the United Nations ever since its creation nearly 60 years earlier.

30. **Mr. Jose** (India) said that the action of the international community, particularly in regard to capacity building, financial resources and transfer, was of crucial importance in strengthening the growth of developing countries. The participants in the United Nations Millennium Summit, the International Conference on Financing for Development and the World Summit on Sustainable Development had decided, collectively, to create a framework for international cooperation. In 2002, net financial flows to a large number of developing countries had fallen to a new low of $192 billion, or around half the average annual rates for the years 1998 to 2000.

31. Facilitating increased participation by developing countries in international financial and trade institutions and giving them a greater voice in decision making and norm setting would ensure that many of their concerns were taken into account and help to create an environment conducive to development. The United Nations, along with the Bretton Woods institutions and WTO, should play an important role in directing global economic integration. The annual meetings of the Economic and Social Council with the Bretton Woods institutions, WTO and the United Nations Conference on Trade and Development (UNCTAD) should provide a mechanism for reviewing systemic problems.

32. The indebtedness of many low or middle-income countries continued to hinder their economic development and their efforts to attain the Millennium Development Goals. Many official creditors had granted debt relief to the low-income countries; in some cases, they had exceeded their commitments under the HIPC Initiative. Nevertheless, debt relief was still not adequate to enable some countries to attain a tolerable level of indebtedness and to reduce poverty significantly. In addition, the instability of financial flows and exchange rates of the main currencies further complicated debt management.

33. In recent years, it had been thought that private financial flows would be the cure-all that would enable developing countries to overcome their external debt crisis. However, that idea had been belied by the trends in financial flows over the last 10 years. Recent UNCTAD studies showed that periods of growth in financial flows had been followed by financial crises, widespread debt-servicing problems and default.

34. Countries should honour the commitments regarding external debt that they had made at the Millennium Summit and in the Monterrey Consensus. Those commitments should serve as the basis for a long-term solution to the debt problem. Reducing the developing countries' debt-servicing obligations would enable them to increase social spending and invest in production capacity and capital equipment. Since technological innovations had a significant impact on

agriculture, industry and services, it was all the more important to ensure that science and technology were used to promote economic and social development.

35. On the question of biotechnologies, he said that his delegation endorsed the observations of the Secretary-General contained in his report on Impact of new biotechnologies, with particular attention to sustainable development, including food security, health and economic productivity (A/58/76). He wished to stress the point made in paragraph 77 of the report, to the effect that the cost of leaving some countries behind might be higher than the cost of empowering them to become players in mastering and benefiting from biotechnology. The international community should provide financial assistance to those countries in order to enable them to improve their research and development activities, particularly in agriculture and health.

36. India looked forward to the World Summit on the Information Society, to be held in Geneva in 2003 and in Tunis in 2005. He expressed his satisfaction at the holding of the Almaty Conference and the adoption of the Almaty Programme of Action and stressed the need for the active cooperation of all stakeholders in its implementation.

37. **Mr. Abreha** (Ethiopia) said that his delegation was pleased at the holding, on 28 and 29 August 2003, of the Almaty Conference, the first high-level United Nations meeting to focus on the particular needs of landlocked developing countries and transit countries. He welcomed the adoption of the Almaty Declaration and Programme of Action, in which the international community had expressed its political will to establish partnerships with a view to overcoming the obstacles encountered by those countries as a result of their isolation from international markets and their lack of an outlet to the sea. That situation contributed to their relative poverty and significantly increased their transport costs, to the detriment of their participation in international trade and in the globalization process.

38. He also noted with satisfaction the efforts of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, which had worked with great efficiency in preparing for and organizing the Conference and coordinating the work of the United Nations system and other international organizations. He also thanked the organizations and agencies of the United Nations system, including UNCTAD, the regional commissions and the World Bank, as well as the international community, for their operational, technical and financial support to preparations for the Conference. In particular, the United Nations Economic Commission for Africa had provided support for the regional preparatory meetings on questions relating to cooperation in transit transport, especially in connection with the "missing links" on certain routes.

39. **Mr. Ayari** (Tunisia) said that the weapon of the future was knowledge; accordingly, mastering science and investing in scientific research, education, training and human resources were the means whereby the international community could attain the Millennium Development Goals.

40. It was essential to facilitate access to know-how and technologies and to transfer them to the developing countries on favourable terms so as to strengthen their technical capacities, their skills, their productivity and their competitiveness on the world market. It was also important to identify the obstacles and the unfair constraints that hindered the transfer of technologies, including state-of-the-art technologies. Since the United Nations focused much of its work on science and technology, it was the appropriate body to help bridge the gap between developed and developing countries in all those areas.

41. There was general agreement on the crucial role played by information and communication technologies in promoting development and growth and reducing poverty. The Millennium Declaration reflected the determination of the Heads of State and Government to ensure that the benefits of those technologies were available to all. The great majority of the peoples of the world had been left out of the technological revolution, and the digital divide threatened to further deepen the existing development gap between rich and poor in different countries as well as within individual countries.

42. The World Summit on the Information Society, to be held in two phases – in Geneva in December 2003 and in Tunis in November 2005 –, would offer leaders an exceptional opportunity to decide, both collectively and individually, on the shape of the future of the information society and to ensure that information technologies served the purpose of the Millennium Development Goals. The universal values of equality

and justice, democracy, the free flow of information and know-how, mutual tolerance and respect for diversity should be at the foundation of a world information society truly committed to integration. One of the essential aims of the Summit was to show that the digital divide did not only separate the rich from the poor, it also separated men from women and young people from the elderly; hence, the aim was to close that gap. The information society should be concerned with equality between the sexes and between generations.

43. While governments were responsible for elaborating national and international strategies and frameworks, the United Nations forums made it possible for States, the private sector and civil society to come together to discuss common objectives and should serve as catalysts in the move towards an information society. The private sector should also participate actively in the Summit by proposing a sustainable economic model. In fact, the private sector was helping to create the necessary material conditions for promoting universal access to information and communication services and technologies, especially those with a high value added. Civil society was a key actor in the new international partnership. His delegation urged all stakeholders at the Summit to ensure that it produced results and instruments that reflected the aspirations of the international community. He also urged stakeholders to continue providing extrabudgetary resources and voluntary contributions to the special trust fund set up by the International Telecommunication Union (ITU) to finance the preparations for and the holding of the two phases of the Summit.

44. **Mr. Barnwell** (Guyana), speaking on behalf of the members of the Caribbean Community (Caricom), said that his delegation noted with satisfaction the quality of the UNCTAD studies referred to in the documents submitted under the agenda items before the Committee. For the sixth consecutive year, the developing countries had suffered a net loss of financial resources; given their recurring financial instability, that fact raised many questions about the sustainability of the international development system. So far, the emphasis had always been on the structural shortcomings of financial markets in the developing countries and on international financial transactions with those countries. Three essential points had often been neglected, namely: the financial markets of developing countries accounted for the largest share of resources feeding the global system; the instability of those markets seriously compromised the health of the system; the markets of the developed countries had become increasingly vulnerable as a result of widespread speculation, financial innovation, constant deregulation and increasing conflicts of interests among those responsible for regulation.

45. The financial systems of developing countries should be strengthened, improved and reorganized. However, those States on their own did not have the means to solve the problems created by the economic turbulence affecting the OECD countries. That was one of the reasons why the developing countries were asking the States members of the G-7 or G-8 to improve international financial stability and ensure transparency and efficiency in global financial institutions by strengthening the participation of developing countries in a fair and equitable system.

46. Financing for development was extremely important to the small developing countries, particularly the members of the Caribbean Community, which had to overcome enormous difficulties arising from their own vulnerability and an increasingly hostile international economic environment. Financing was the main item that was missing from the development agenda, inasmuch as without financing implementation was impossible. During preparations for the International Conference on Financing for Development held in Monterrey, the members of the Caribbean Community had stressed the need for ongoing dialogue on regulatory frameworks in the area of investment with a view to strengthening the economies of the developing countries; for a draft framework for action along with a timetable for strengthening official development assistance; for institutions devoted to international trade, financial issues and development to work within a coherent framework, taking into account the special needs of small island developing States, particularly that of making their economies more resistant and more competitive; to draw up a comprehensive set of measures for solving debt management, debt-servicing and debt-relief problems in the developing countries, particularly heavily indebted low or middle-income countries; to review the participation of small developing States in decision making in international financial, trade and development institutions; and to

establish an open and transparent global cooperation framework on fiscal questions.

47. It was important to strengthen consultations and action aimed at bringing the debt of heavily indebted poor countries in line with their payment capacity and enabling them to renew their economic growth potential. Stressing the distinction between cancellation of the nominal amount of the debt and the actual amount owed, he asked creditor countries not to count debt cancellation as assistance. Aside from the foreign debt, it was also urgent to find a solution to the dependence of many heavily indebted poor countries on commodity trade, which hindered their economic growth and development, given the steady decline of commodity prices over the last 20 years.

48. Additional measures were needed to speed up existing procedures for disbursement of payments to heavily indebted poor countries in connection with the implementation of their poverty-reduction strategy document. The relationship between tolerable levels of indebtedness and achievement of the Millennium Development Goals should also be considered. To be effective, development assistance should provide necessary resources to the developing countries in a timely fashion, without tying them to restrictive conditions which, in the past, had hindered the effectiveness of development measures.

49. **Mr. Gilman** (United States) said he would focus on three areas: cybersecurity, the information society and biotechnology. With regard to cybersecurity, he pointed out that individuals, private organizations and governments were increasingly dependent on networked information systems, which controlled, among others, power, water and financial structures. The United States called those systems "critical information infrastructures". In recent years, many Member States had taken steps to protect themselves from cybercrime. The resolution submitted by the United States addressed the question of cybersecurity and the protection of critical information infrastructures. The United States, in conjunction with its G-8 partners, had decided to compile the results of those initiatives into an essential list of systematic actions important for States to undertake to effectively protect their nations in the area of cybersecurity according to their interests and needs. The goal of the resolution was to encourage governments to take steps to combat the terrorists, criminals and pranksters who placed their nations' infrastructures at risk.

50. In December, the United Nations would host the World Summit on the Information Society. The United States would continue to do its part to ensure that the World Summit on the Information Society, the first of its kind organized by the United Nations, would be a success. The keys to a truly inclusive information society were education, individual creativity and economic and political freedom, as well as an environment in which citizens had access to information. Harnessing the power of the information society required the participation of all stakeholders – governments, international and regional organizations, the private sector and civil society.

51. Turning to the question of biotechnology, particularly its impact on sustainable development, he said that it offered enormous potential benefits to developing countries. Significant research was underway at private companies, international research institutions and leading universities into disease-resistant and drought- and salinity-tolerant crops. In some cases, the private sector had provided non-profit organizations and universities access to patented technology at little or no cost.

52. By increasing the quantity and quality of global food supplies, biotechnology would, over the short term, benefit those who suffered from chronic hunger and would serve to combat potential food shortages in the future, when the global population was expected to exceed 8 billion by 2025. Biotechnology also had a positive effect on health, since it was used to develop and improve medications to treat heart disease, multiple sclerosis, haemophilia, hepatitis and AIDS, among others. Biotech foods were being developed that might enable the world's poor to receive important vaccines and vitamins more cheaply and more widely than ever before. In the environment, the first generation of biotechnology products was allowing farmers to reduce the use of pesticides, and the second generation should help reduce soil erosion.

53. On the issue of regulatory regimes, he said that developing countries could best harness the potential of biotechnology by science-based, internationally recognized technical standards, such as the guidelines recently adopted by the Codex Alimentarius Commission of the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO). Overly burdensome regulatory systems would discourage investment by the private sector and encourage researchers to pursue other areas

of research. Transparent, science-based regulatory systems should be a critical part of any national biotechnology development strategy.

54. Referring to specific measures for responding to the particular needs and problems of landlocked developing countries [agenda item 91(c)] and the outcome of the Almaty Conference, he said that his delegation was pleased with the Almaty Programme of Action and would continue to work with landlocked developing countries to address their special needs.

55. **Mr. Gallegos Chiriboga** (Ecuador) said that despite many renegotiations, the external debt was still an unbearable burden for the developing countries. The poor countries were heavily dependent on external savings for their economic and social development. Creditors and debtors should work together to find a long-term solution to the problem.

56. The debt should be rescheduled bearing in mind the debtor countries' payment capacity and their capacity to manage their domestic resources, while leaving them enough manoeuvring room to carry out their economic and social programmes. The International Monetary Fund should review the conditions countries had to meet in order to obtain loans, taking into account each country's social, economic and political situation. Emergency financing mechanisms should be established to help countries prepare for the unexpected; official development assistance should be increased; and the multilateral, regional and subregional development banks should be strengthened, bearing in mind that their long-term credit system had helped countries overcome many crises and external shocks.

57. **Mr. Sharma** (Nepal) said that his delegation endorsed the statement made by the representative of the Lao People's Democratic Republic on behalf of the Group of Landlocked Developing Countries. The peoples of those countries were at a disadvantage in terms of geography and natural conditions and were struggling to survive in the age of globalization. Although the particular needs of those countries had been generally recognized by the international community, as evidenced in several action programmes, there was no question that they had been marginalized from the international scene. Repeated commitments to bring those countries out of their isolation were not enough; those commitments must be accompanied by a strong political will to put them into action. The landlocked developing countries realized that they were responsible for their own destiny, and they had worked hard to reduce poverty and find new ways to further their own development and participate in international trade. Nevertheless, in order to become integrated with the rest of the world and increase their trade, they and their neighbouring transit countries needed external assistance in gaining access to the sea, improving their transport systems and simplifying procedures so as to reduce excessive transport costs. All stakeholders should honour the commitments they had made in that regard in Almaty.

58. Nepal was prepared to do everything in its power to follow up on the Almaty Programme of Action; accordingly, it was encouraging regional and subregional cooperation in the hope of facilitating transport, energizing the economy and fostering development. It urged countries to stop thinking of their own interests and cooperate more with one another.

The meeting rose at 12.05 p.m.